



# SENATE BILL 391: DOT Omnibus.

2025-2026 General Assembly

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<b>Committee:</b>	Senate Transportation. If favorable, re-refer to Finance. If favorable, re-refer to Rules and Operations of the Senate	<b>Date:</b>	June 11, 2025
<b>Introduced by:</b>	Sens. Rabon, Sawyer, Lazzara	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	PCS to First Edition S391-CSSUf-10		Staff Attorney

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**OVERVIEW:** *The Proposed Committee Substitute (PCS) for Senate Bill 391 would make the following changes to laws related to transportation and motor vehicles:*

- *Clarify the Commissioner of Motor Vehicles' authority to regulate driver training schools offering driver education courses for teen drivers.*
- *Allow a licensed motor vehicle dealer to maintain licensure with a change in ownership, as long as new owners are qualified and approved by the Division of Motor Vehicles.*
- *Amend the Department of Transportation's cash balance requirement.*
- *Amend statutes related to the Turnpike Authority: eliminate annual work plan and report on toll users charged fees and penalties over \$50; clarify unpaid toll notices may be sent electronically to an email account on file with other state departments of motor vehicles; remove limit on the number of projects the Authority may undertake; clarify use of toll revenues on contiguous toll facilities.*
- *Prohibit outsourcing of certain culvert and structure installations under the Department of Transportation's Bridge Program.*
- *Exempt the Ferry Division from using Temporary Solutions for hiring certain temporary employees.*
- *Amend requirements for Department of Transportation report to the General Assembly on use of funds for maintenance and construction.*
- *Authorize the Department of Transportation to charge transaction fees on electronic payments for ferry tolls or fees.*
- *Require criminal history checks for drivers providing transportation services to students pursuant to contracts with local boards of education.*
- *Authorize local governments to use electronic speed-measuring systems to detect speed limit violations in school zones.*
- *Codify limits of existing rights-of-way and easements maintained by the Department of Transportation that were not documented or recorded in accordance with current requirements.*
- *Prohibit mowing in highway right-of-way when political signs are permitted and during the month of May.*

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- *Increase the cap on certain public-private partnership agreements.*
- *Prohibit vehicles with a gross vehicle weight rating of 26,001 pounds or more from operating in the left most lane of a controlled-access highway with six lanes or more.*
- *Extend the validity of certain drivers licenses for purposes of establishing the licensee's driving privilege for up to two years past their expiration dates.*
- *Make clarifying changes to a previously enacted provision requiring the Division of Motor Vehicles to select a vendor to manage implementation of a cloud-based operating system.*
- *Clarify native plant preferences apply to replanting required in conjunction with selective vegetation removal for outdoor advertising; require study and development of a list of native grasses, plants, and seeds to be used in place of nonnative species, and a list of invasive plant species and a plan to remove invasive species from State parks and highway right-of-way.*
- *Increase the maximum number of window tinting medical exemption permits issuable to a person from two to four.*
- *Eliminate inspection for window tint and require drivers with tint to roll down window on approach of law enforcement officer.*
- *Modify previously enacted progressive design-build delivery method pilot program.*

**CURRENT LAW AND BILL ANALYSIS:** The PCS for Senate Bill 391 would do the following:

**Section 1:** Teens preparing to apply for driver licensing under the graduated licensing process in North Carolina are required to take driver education. The required course can be taken through the public schools or through private driver training schools, which are licensed by the Division of Motor Vehicles. Both must offer the same program of driver education.

This section would clarify the ability of the Commissioner of Motor Vehicles to adopt regulations governing the private driver training schools it licenses when they are offering the driver education course required for teen drivers.

**Section 2:** The Division of Motor Vehicles regulates motor vehicle dealers doing business in North Carolina. G.S. 20-288 outlines requirements for new and used motor vehicle dealer licensure.

This section would provide that, for a licensed dealer, a change in ownership is not grounds for denial, suspension, or revocation of the license. The dealer's business would not be required to apply for licensure as a new business, as long as any new owners are qualified and approved by the Division.

**Section 3:** G.S. 143C-6-11 requires the Department of Transportation to maintain an available cash balance at the end of each month equal to at least 7.5% of the total appropriations for the current fiscal year from the Highway Fund and the Highway Trust Fund. It also directs the Department to fund projects with a target average daily cash balance goal of 15-20% of total appropriations.

This section would change the amount of the Department's cash balance requirements from a percentage of total appropriations for the fiscal year to a specified number of days of cash on hand.

**Section 4:** Article 6H of Chapter 136 sets out statutes related to the North Carolina Turnpike Authority, constituted to construct, operate, and maintain toll roads and bridges in the State. G.S. 136-89.193 directs the Authority to develop an annual work plan and submit certain reports.

This section would repeal the requirement that the Authority develop an annual work plan and the requirement to report annually on the number of one-time toll facility users charged more than \$50 in processing fees and penalties.

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**Section 5:** G.S. 136-89.214 sets out requirements for the Turnpike Authority to bill users of toll facilities who have not paid prior to or at the time of travel. The Authority may bill users by mail or by email to a designated email account.

This section would clarify that the Authority may send a bill by email to an email account on file with any state Department of Motor Vehicles.

**Section 6:** The powers of the Turnpike Authority are set out in G.S. 136-89.183 and include authorization to design, establish, purchase, construct, operate, and maintain up to eleven projects.

This section would eliminate the cap on the number of projects the Authority is authorized to undertake.

**Section 7:** G.S. 136-89.188 directs how revenues derived from Turnpike Projects are authorized to be used. Revenues may only be used for specified costs that are associated with the Project from which the revenues were derived or a contiguous toll facility.

This section would amend the authorization for a contiguous toll facility to specify that revenues may be used for a planned contiguous toll facility identified in a transportation plan adopted by an affected Metropolitan Planning Organization.

**Section 8:** G.S. 136-76.2 relates to the Department of Transportation's Bridge Program and outlines funding requirements for use in improvement to State highway system culverts and improvements to structurally deficient and functionally obsolete bridges, and further outlines when the Department must outsource to private contractors.

This section would prohibit the outsourcing of certain culvert and structure installations on low volume or non-outlet roads.

**Section 9:** G.S. 126-6.3(a) requires Cabinet agencies to hire temporary employees through the Temporary Solutions Program administered by the Office of State Human Resources.

This section would exempt the Ferry Division of the Department of Transportation from using the Temporary Solutions Program when there is an established need during peak season or when work requires specific skills.

**Section 10:** Current law requires the Department to report annually to the Joint Legislative Transportation Oversight Committee by March 1 on how the previous fiscal year's funds for maintenance and construction were allocated and expended.

This section would modify Department reporting requirements to require submission of the report to the General Assembly on or before the tenth day after its convening each regular session and to include cost of maintenance and construction, receipts of license fees, disbursements of the Department, and other financial information relevant to illustrate the Department's financial condition during the previous fiscal year.

**Section 11:** The Department of Transportation is authorized to provide for the establishment and maintenance of ferries in North Carolina, which includes establishing and collecting tolls and fees authorized under Article 6 of Chapter 136.

This section would authorize the Department to add a transaction fee of no more than 2% to each electronic payment transaction for ferry-related tolls and fees.

**Section 12:** Local boards of education may enter into contracts with persons, firms, and corporations to provide transportation services to students in lieu of operating school buses under G.S. 115C-253. G.S. 115C-332 authorizes criminal history checks for school personnel. Each local school board is directed to

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adopt a policy on whether and under what circumstances applicants shall be subject to criminal history checks.

This section would require a criminal history check for an individual before a local board of education could allow the individual to act as a driver pursuant to a contract under G.S. 115C-253 to provide transportation services to students. It also provides for sharing of information between school boards if one local school board has previously done a criminal history check on an individual, the check was done within the previous three years, and the individual consents.

**Section 13:** North Carolina law authorizes some local governments to enforce traffic signal violations by means of photographic systems, but it does not currently authorize use of photographic systems to enforce speed limits. Use of photographic systems to enforce speed limits was authorized in 2003 by the General Assembly as a three-year pilot program in the City of Charlotte. The program expired on June 30, 2006.

This section would authorize cities and counties to use electronic speed-measuring systems to enforce speed limits in school zones. Local governments would have to adopt ordinances to allow for the civil enforcement of those speed limits, providing processes for issuing and processing citations, and providing an administrative hearing process for contesting citations. Installation of systems on Department of Transportation right-of-way would have to be approved by the Department. A civil penalty of \$250 would be assessed for violations, and the Division of Motor Vehicles would be required to refuse registration of a vehicle when the owner fails to pay a penalty.

**Section 14:** This section would enact a statutory provision defining the boundaries of rights-of-way and easements for roadways where the Department of Transportation has responsibility for maintenance but there is no instrument of conveyance describing the boundaries. It would also require the Department to coordinate with a developer to revise requirements imposed for granting a permit if an original condition of granting a permit required acquiring a right-of-way or easement and the developer is unable to do so.

**Section 15:** G.S. 136-32 provides a time period during which political signs may be placed in State highway right-of-way. The time period begins the 30th day before the beginning date of early voting and ends on the 10th day after the primary or election day.

This section would prohibit the Department of Transportation from scheduling mowing in any right-of-way where the placing of political signs is permitted during the time period prescribed in G.S. 136-32. It would further prohibit the Department from scheduling mowing in any highway right-of-way during the month of May.

**Section 16:** The Department of Transportation currently has the authority to enter into partnership agreements with private entities and authorized political subdivisions to finance transportation infrastructure projects in this State. G.S. 136-18(39a) limits the Department and Turnpike Authority to a total of three partnership agreements with private entities for projects subject to specific statutory provisions.

This section would modify the cap on public private partnership agreements so the Department and the Turnpike Authority would be able to enter into up to ten agreements.

**Section 17:** Several provisions of North Carolina law address slower moving vehicles or vehicles traveling at less than the speed limit.

- Vehicles traveling at less than the legal speed limit are required to drive in the right-hand lane of a highway, except when passing or preparing for a left turn (G.S. 20-146(b)).

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- When appropriate signs have been posted, it is unlawful for a vehicle to travel in the left lane, next to the median of a dual lane highway, at less than the legal speed limit and impeding the steady flow of traffic, except when preparing for a left turn (G.S. 20-146(e)).
- Vehicles, except for those operating at a reasonable speed for the nature of the vehicle, may not be operated on a highway at such a slow speed as to impede the normal and reasonable movement of traffic, except when necessary for safe operation or in compliance with law (G.S. 20-141(h)).
- It is unlawful for passenger vehicles to travel on interstates and primary highways at less than the posted minimum speed limits set by statute – less than 40 mph in a 55 mph zone or less than 45 in a 60 mph or greater zone – when appropriate signs have been posted (G.S. 20-141(c)).

A violation of any of these provisions is an infraction.

This section would prohibit vehicles with a gross vehicle weight rating of 26,001 pounds or more from operating in the leftmost lane of any controlled-access highway with six or more lanes, except when entering or exiting the highway. A violation would be an infraction.

This section would become effective December 1, 2025, and would apply to offenses committed on or after that date.

**Section 18:** The North Carolina Division of Motor Vehicles currently issues regular Class C drivers licenses in accordance with statutory requirements set out in G.S. 20-7. The duration of licenses issued to persons aged 18-66 is generally eight years. The Division of Motor Vehicles requires in person renewal of drivers licenses at least every other renewal.

This section would extend the validity of regular Class C drivers licenses for up to two years after the date they expired only for purposes of establishing the licensee's driving privilege. The extension would not apply to any license that is otherwise revoked, suspended, or cancelled.

This section would also direct the Joint Legislative Transportation Oversight Committee to review the studies or audits conducted or commissioned by, or any recommendations made by, the Committee, the Department of Transportation, or the Office of the State Auditor regarding the delays and staffing shortages occurring at the Division and to report its findings, and make any legislative proposals designed to alleviate those issues, to the 2026 Regular Session of the General Assembly.

This section would be effective when it becomes law and would apply to licenses that expire on or after that date, and it would expire on December 31, 2027.

**Section 19:** Section 19.2 of S.L. 2024-45 required the Department of Information Technology (DIT), in consultation with the Division of Motor Vehicles, to contract with a third-party organization to evaluate the Division's ongoing efforts to modernize its IT systems. By July 1, 2025, the Division must select a vendor to oversee and manage implementation of a cloud-based operating system. The vendor, in consultation with the Division and DIT, must then report quarterly on the status of the Division's modernization efforts.

This section would extend the date by which a vendor must be selected from July 1, 2025, to October 1, 2025, and it would require the Division, in consultation with the vendor and DIT, to make the quarterly status reports.

**Section 20:** G.S. 136-18(9) requires the Department of Transportation to use plants and seeds in the highway right-of-way that are native to the Southeastern United States with a strong preference for plants native to North Carolina, except that the Department may use nonnative turf grasses and nonnative grasses, plants, and seeds for the purpose of soil and slope stabilization for erosion control.

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This section would clarify that any planting or replanting done in conjunction with selective vegetation removal for outdoor advertising must be done in accordance with G.S. 136-18(9). It would also require the Department of Transportation and the Department of Natural and Cultural Resources, in consultation with North Carolina State University and North Carolina Agricultural and Technical State University, to study and develop a list of native grasses, plants, and seeds to be used in place of nonnative species and to study and develop a list of invasive plant species and a plan for removing invasive species from State parks and highway right-of-way.

**Section 21:** G.S. 20-127 sets out window tinting restrictions for motor vehicles. Generally, windshields may only be tinted along the top. Other windows may be tinted with the following restrictions: total light transmission must be at least 35%, light reflectance must be 20% or less, and tint must be nonreflective and may not be red, yellow, or amber. A person who suffers from a medical condition that causes the person to be photosensitive to light may get a medical exception permit from the Division of Motor Vehicles that allows for tint on a specified vehicle that does not meet these requirements. A person may be issued no more than two medical exception permits.

This section would increase the maximum number of medical exception permits a person may be issued from two to four.

**Section 22:** Under current law, a vehicle with after-factory window tint must have the tint inspected with a light meter as part of the vehicle safety inspection. The additional fee for the inspection is \$10.

This section would eliminate the required window tint inspection. It would also add a statutory requirement that a driver of a vehicle with tinted windows roll down the window when the vehicle is approached by a law enforcement officer.

This section would become effective December 1, 2025, and would apply to offenses committed on or after that date.

**Section 23:** Section 2 of S.L. 2024-15 authorized the Department of Transportation to establish a pilot project to award contracts for up to five transportation projects utilizing a Progressive Design-Build delivery method. Only projects less than \$500 million and meeting other criteria are eligible.

This section would make modifications to the definition of "Progressive Design-Build", how the Design-Build Team is selected, and allow for more than two contracts.

**EFFECTIVE DATE:** Except where specified otherwise above, the act is effective when it becomes law.